



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
445 12th STREET, S.W.
WASHINGTON, D.C. 20554

News Media Information: (202) 418-0500
Fax-On-Demand: (202) 418-2830
Internet: <http://www.fcc.gov>
<ftp.fcc.gov>

DA 02-3544

File No. ITC-214-20020923-00452

Released: December 20, 2002

International Bureau Policy Division Grants
SBC Communications International Section 214 Authority for California and
Conditional Authority for Nevada

Pursuant to section 214 of the Communications Act of 1934, as amended (the "Act") (47 U.S.C. § 214) and section 63.18 of the Commission's rules (47 C.F.R. § 63.18), the International Bureau, Policy Division, grants the application filed by Southwestern Bell Communications Services, Inc. (SBCS or Applicant), a subsidiary of SBC Communications Inc. (SBC Communications), for authority to provide international services originating in California, and conditional authority to provide international services originating in Nevada. Specifically, Applicant requests authority to provide global international facilities-based service, except to those countries listed on the Commission's exclusion list, and to resell international service between all points in the states of California and Nevada and all international points. Applicant requests grant of this application at such time as SBC Communications receives authority to provide in-region, interLATA service in California pursuant to section 271 of the Communications Act of 1934, as amended, 47 U.S.C. § 271. Applicant acknowledges that grant of its request for authority to provide international services originating in Nevada would be conditioned such that it would be effective only at such time as SBC Communications receives section 271 authority for that state (*see 2000 Biennial Regulatory Review, Amendment of Parts 43 and 63 of the Commission's Rules*, IB Docket No. 00-231, Report and Order, FCC 02-154, 17 FCC Rcd 11416 (2002) ("*Biennial Review Order*").

As described above, the international section 214 application covers traffic originating in California and Nevada, which are "in-region" states of SBC Communications and its subsidiary, SBCS. The international application is a companion to the joint application of SBC Communications Inc., Pacific Bell Telephone Company and Southwestern Bell Communications Services, Inc. for authorization to provide in-region, interLATA service in the state of California pursuant to section 271 of the Act. No comments were filed on the international section 214

application, which was put on public notice on October 11, 2002 (*see Non-Streamlined International Applications Accepted for Filing*, File No. ITC-214-20020923-00452, Public Notice, DA 02-2618 (rel. October 11, 2002)).

On December 19, 2002, the Commission approved SBC Communications' section 271 application (*see Application By SBC Communications Inc., Pacific Bell Telephone Company, and Southwestern Bell Communications Services, Inc. for Authorization to Provide In-Region, InterLATA Services in California*, WC Docket No. 02-306, Memorandum Opinion and Order, FCC 02-330, rel. December 19, 2002. Because SBC Communications has received section 271 authority to provide in-region, interLATA service in the state of California, we grant SBCS authority to provide international facilities-based and resale service originating in the state of California. *See* 47 C.F.R. § 63.18(e)(1)-(3). We also grant Applicant authority to provide the same international services originating in Nevada subject to the condition that such authority shall be effective for this in-region state only at such time as SBC Communications receives section 271 authority to provide in-region, interLATA service in that state (*see Biennial Review Order, supra*, para. 45). The Bureau finds that grant of the international section 214 application will serve the public interest by increasing competition in international services, expanding the range of new and innovative services and allowing for more efficient use of existing international telecommunications facilities.

This grant of authority is subject to Applicant's compliance with the Commission's international dominant carrier regulations as specified in section 63.10(c) and (e) of the rules on the following routes where Applicant has affiliations with foreign carriers that the Commission has not yet determined lack market power: (1) the U.S.-Belgium route, (2) the U.S.-Denmark route, and (3) the U.S.-South Africa route (except to the extent Applicant serves these routes solely by reselling the international switched services of unaffiliated U.S. facilities-based carriers).

We grant Applicant's request for non-dominant classification on all other routes where the Applicant has affiliations with foreign carriers. Applicant has demonstrated that these foreign carriers lack sufficient market power on the foreign end of the routes to affect competition adversely in the U.S. market. In sum, SBCS will be classified as a non-dominant international carrier in its provision of U.S. international services on all routes except the U.S.-Belgium route, the U.S.-Denmark route, and the U.S.-South Africa route. Grant of this international section 214 application will become effective upon the effective date of the Commission Order granting authorization to SBC Communications to provide in-region, interLATA service in the state of California.